

House Study Bill 644

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
HUMAN SERVICES BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to persons with mental illness, mental
2 retardation, developmental disabilities, or brain injury by
3 addressing purposes and quality standards for services and
4 other support available for such persons, establishing basic
5 financial eligibility standards, addressing state and county
6 financial responsibility for the cost of the services and
7 other support, and providing an applicability date.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
9 TLSB 5359DP 81
10 jp/cf/24

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1 1 DIVISION I
1 2 PURPOSES AND QUALITY STANDARDS
1 3 Section 1. Section 225C.1, Code 2005, is amended to read
1 4 as follows:
1 5 225C.1 FINDINGS AND PURPOSE.
1 6 1. The general assembly finds that services to persons
1 7 with mental illness, mental retardation, developmental
1 8 disabilities, or brain injury are provided in many parts of
1 9 the state by highly autonomous community-based service
1 10 providers working cooperatively with state and county
1 11 officials. However, the general assembly recognizes that
1 12 heavy reliance on property tax funding for mental health and
1 13 mental retardation services has restricted uniform
1 14 availability of this care. Consequently, greater efforts
1 15 should be made to assure close coordination and continuity of
1 16 care for those persons receiving publicly supported disability
1 17 services in Iowa. It is the purpose of this chapter to
1 18 continue and to strengthen the services to persons with
1 19 disabilities now available in the state of Iowa, to make ~~these~~
1 20 disability services conveniently available to all persons in
1 21 this state upon a reasonably uniform financial basis, and to
1 22 assure the continued high quality of these services.
1 23 2. It is the intent of the general assembly that the
1 24 service system for persons with disabilities emphasize the
1 25 ability of persons with disabilities to exercise their own
1 26 choices about the amounts and types of services received; that
1 27 all levels of the service system seek to empower persons with
1 28 disabilities to accept responsibility, exercise choices, and
1 29 take risks; that disability services are individualized,
1 30 provided to produce results, flexible, and cost-effective; and
1 31 that disability services be provided in a manner which
1 32 supports the ability of persons with disabilities to live,
1 33 learn, work, and recreate in ~~natural~~ communities of their
1 34 choice.
1 35 Sec. 2. Section 225C.2, subsection 6, Code 2005, is
2 1 amended to read as follows:
2 2 6. "Disability services" means services ~~or~~ and other
2 3 assistance support available to a person with mental illness,
2 4 mental retardation or other developmental disability, or brain
2 5 injury.
2 6 Sec. 3. Section 225C.4, subsection 1, paragraph d, Code
2 7 2005, is amended to read as follows:
2 8 d. Encourage and facilitate coordination of disability
2 9 services with the objective of developing and maintaining in
2 10 the state a disability service delivery system to provide
2 11 disability services to all persons in this state who need the
2 12 services, regardless of the place of residence or economic
2 13 circumstances of those persons. The administrator shall work
2 14 with the commission and other state agencies, including but

2 15 not limited to the departments of corrections, education, and
2 16 public health and the state board of regents to develop and
2 17 implement a strategic plan to expand access to qualified
2 18 mental health workers across the state.

2 19 Sec. 4. Section 225C.4, subsection 1, paragraph j, Code
2 20 2005, is amended to read as follows:
2 21 j. Establish and maintain a data collection and management
2 22 information system oriented to the needs of patients,
2 23 providers, the department, and other programs or facilities.
2 24 The administrator shall annually submit to the commission
2 25 information collected by the department indicating the changes
2 26 and trends in the disability services system.

2 27 Sec. 5. Section 225C.6, subsection 1, paragraph n, Code
2 28 2005, is amended to read as follows:
2 29 n. ~~Identify basic disability services for planning~~
2 30 ~~purposes disability services outcomes and indicators to~~
2 31 support the ability of eligible persons with a disability to
2 32 live, learn, work, and recreate in communities of the persons'
2 33 choice. The identification duty includes but is not limited
2 34 to responsibility for identifying, collecting, and analyzing
2 35 data as necessary to issue reports on outcomes and indicators
3 1 at the county and state levels.

3 2 Sec. 6. Section 225C.27, Code 2005, is amended to read as
3 3 follows:

3 4 225C.27 PURPOSE.
3 5 Sections 225C.25 through 225C.28B shall be liberally
3 6 construed and applied to promote their purposes and the stated
3 7 rights and service quality standards. The commission, in
3 8 coordination with appropriate agencies, shall adopt rules to
3 9 implement the purposes of section 225C.28B, subsections 3 and
3 10 4, which include, but are not limited to, the following:

3 11 1. Promotion of the human dignity and protection of the
3 12 constitutional and statutory rights of persons with mental
3 13 retardation, developmental disabilities, brain injury, or
3 14 chronic mental illness in the state.

3 15 2. Encouraging the development of the ability and
3 16 potential of each person with mental retardation,
3 17 developmental disabilities, brain injury, or chronic mental
3 18 illness in the state to the fullest extent possible.

3 19 3. Encouraging activities to ensure that recipients of
3 20 services shall not be deprived of any rights, benefits, or
3 21 privileges guaranteed by law, the Constitution of the State of
3 22 Iowa, or the Constitution of the United States solely on
3 23 account of the receipt of the services.

3 24 4. Promoting access by each person in the state with
3 25 mental retardation, developmental disabilities, brain injury,
3 26 or chronic mental illness to effective services and other
3 27 support and treatment essential for living, working, and
3 28 participating fully in the community.

3 29 Sec. 7. Section 225C.28A, Code 2005, is amended to read as
3 30 follows:

3 31 225C.28A SERVICE QUALITY STANDARDS.
3 32 As the state participates more fully in funding services
3 33 and other support to persons with mental retardation,
3 34 developmental disabilities, brain injury, or chronic mental
3 35 illness, it is the intent of the general assembly that the
4 1 state shall seek to attain the following quality standards in
4 2 the provision of the services:

4 3 1. Provide comprehensive evaluation and diagnosis adapted
4 4 to the cultural background, primary language, and ethnic
4 5 origin of the person.

4 6 2. Provide an individual treatment, habilitation, and
4 7 program plan.

4 8 3. Provide ~~individualized~~ treatment, habilitation, and
4 9 program services that are individualized, provided to produce
4 10 results, flexible, and cost-effective, as appropriate.

4 11 4. Provide periodic review of the individual plan.

4 12 5. Provide for the least restrictive environment and age=
4 13 appropriate services.

4 14 6. Provide appropriate training and employment
4 15 opportunities so that the person's ability to contribute to
4 16 and participate in the community is maximized.

4 17 7. Provide an ongoing process to determine the degree of
4 18 access to and the effectiveness of the services and other
4 19 support in achieving the disability services outcomes and
4 20 indicators identified by the commission pursuant to section
4 21 225C.6.

4 22 Sec. 8. Section 331.439, subsection 1, paragraph b,
4 23 subparagraphs (2) and (3), Code Supplement 2005, are amended
4 24 to read as follows:

4 25 (2) For informational purposes, the county shall submit a

4 26 management plan review to the department of human services by
4 27 ~~April-December~~ 1 of each year. The annual review shall
4 28 incorporate an analysis of the data associated with the
4 29 services managed during the preceding fiscal year by the
4 30 county or by a managed care entity on behalf of the county.
4 31 The annual review shall also identify measurable outcomes and
4 32 results showing the county's progress in fulfilling the
4 33 purposes listed in paragraph "bb", and in achieving the
4 34 disability services outcomes and indicators identified by the
4 35 commission pursuant to section 225C.6.

5 1 (3) For informational purposes, every three years the
5 2 county shall submit to the department of human services a
5 3 three-year strategic plan. The strategic plan shall describe
5 4 how the county will proceed to attain the plan's goals and
5 5 objectives ~~contained in the strategic plan for the duration of~~
5 6 ~~the plan, and the measurable outcomes and results necessary~~
5 7 for moving the county's service system toward an
5 8 individualized, community-based focus in accordance with
5 9 paragraph "bb". The three-year strategic plan shall be
5 10 submitted by April 1, 2000, and by April 1 of every third year
5 11 thereafter.

5 12 Sec. 9. Section 331.439, subsection 1, Code Supplement
5 13 2005, is amended by adding the following new paragraphs:
5 14 NEW PARAGRAPH. bb. The county implements its county
5 15 management plan under paragraph "b" and other service
5 16 management functions in a manner that seeks to achieve all of
5 17 the following purposes identified in section 225C.1 for
5 18 persons who are covered by the plan or are otherwise subject
5 19 to the county's service management functions:

5 20 (1) The persons are allowed to exercise their own choices
5 21 about the amounts and types of services and other support
5 22 received.

5 23 (2) The service system seeks to empower the persons to
5 24 accept responsibility, exercise choices, and take risks.

5 25 (3) Services and other support are individualized,
5 26 provided to produce results, flexible, and cost-effective.

5 27 (4) Services and other support are provided in a manner
5 28 which supports the ability of the persons to live, learn,
5 29 work, and recreate in communities of their choice.

5 30 NEW PARAGRAPH. bbb. Commencing with the fiscal year
5 31 beginning July 1, 2007, the county management plan under
5 32 paragraph "bb" shall do both of the following:

5 33 (1) Describe how the county will provide services and
5 34 other support that are individualized, provided to produce
5 35 results, flexible, and cost-effective in accordance with
6 1 paragraph "bb", subparagraph (3).

6 2 (2) Describe how the ability of each individual covered by
6 3 the plan to live, learn, work, and recreate in communities of
6 4 the individual's choice will be enhanced as provided in
6 5 paragraph "bb", subparagraph (4).

6 6 Sec. 10. Section 426B.5, Code Supplement 2005, is amended
6 7 by adding the following new subsection:

6 8 NEW SUBSECTION. 3. INCENTIVE POOL.

6 9 a. An incentive pool is created in the property tax relief
6 10 fund. The incentive pool shall consist of the moneys credited
6 11 to the incentive pool by law.

6 12 b. Moneys available in the incentive pool for a fiscal
6 13 year shall be distributed to those counties that show progress
6 14 toward meeting the purposes described in section 331.439,
6 15 subsection 1, paragraph "bb". The moneys received by a county
6 16 from the incentive pool shall be used to build community
6 17 capacity to support individuals covered by the county's
6 18 management plan approved under section 331.439, in meeting
6 19 such purposes.

6 20 Sec. 11. APPLICABILITY DATE. The section of this division
6 21 of this Act amending section 426B.5 is first applicable for
6 22 allowed growth funding distributed in the fiscal year
6 23 beginning July 1, 2008.

6 24 DIVISION II

6 25 FINANCIAL ELIGIBILITY

6 26 Sec. 12. Section 225C.6, subsection 1, paragraph m, Code
6 27 2005, is amended to read as follows:

6 28 m. Identify ~~model basic financial eligibility guidelines~~
6 29 standards for disability services. The standards shall
6 30 include but are not limited to the following:

6 31 (1) A financial eligibility standard providing that a
6 32 person with an income equal to or less than one hundred fifty
6 33 percent of the federal poverty level, as defined by the most
6 34 recently revised poverty income guidelines published by the
6 35 United States department of health and human services, is
7 1 eligible for disability services wholly paid with public

7 2 funding. A person with an income above one hundred fifty
7 3 percent of the federal poverty level may be eligible subject
7 4 to a copayment or other cost-sharing arrangement subject to
7 5 limitations adopted in rule by the commission.
7 6 (2) A requirement that a person who is eligible for
7 7 federally funded services and other support must apply for the
7 8 services and support.
7 9 (3) Resource limitations that are based upon the federal
7 10 supplemental security income program limitations. A person
7 11 with resources above the federal supplemental security income
7 12 program limitations may be eligible subject to limitations
7 13 adopted in rule by the commission. If a person does not
7 14 qualify for federally funded services and other support but
7 15 meets income, resource, and functional eligibility
7 16 requirements, the following types of resources shall be
7 17 disregarded:
7 18 (a) A retirement account that is in the accumulation
7 19 stage.
7 20 (b) A burial, medical savings, or assistive technology
7 21 account.

7 22 DIVISION III
7 23 CENTRAL POINT OF COORDINATION PROCESS == COUNTY OF RESIDENCE
7 24 RESPONSIBILITIES AND STATE CASES
7 25 Sec. 13. Section 331.440, Code 2005, is amended by adding
7 26 the following new subsection:
7 27 NEW SUBSECTION. 1A. For the purposes of this section,
7 28 unless the context otherwise requires:
7 29 a. "Adult person" means a person who is age eighteen or
7 30 older and is a United States citizen or a qualified alien as
7 31 defined in 8 U.S.C. } 1641.
7 32 b. "County of residence" means the county in this state in
7 33 which, at the time an adult person applies for or receives
7 34 services, the adult person is living and has established an
7 35 ongoing presence with the declared, good faith intention of
8 1 living for a permanent or indefinite period of time. The
8 2 county of residence of an adult person who is a homeless
8 3 person is the county where the homeless person usually sleeps.
8 4 c. "Homeless person" means the same as defined in section
8 5 48A.2.
8 6 d. "State case services and other support" means the
8 7 mental health, mental retardation, and developmental
8 8 disabilities services and other support paid for under the
8 9 rules and requirements in effect prior to July 1, 2008, from
8 10 the annual appropriation made to the department of human
8 11 services for such services and other support provided to
8 12 persons who have no established county of legal settlement or
8 13 the legal settlement is unknown so that the person is deemed
8 14 to be a state case.
8 15 Sec. 14. Section 331.440, subsection 3, Code 2005, is
8 16 amended to read as follows:
8 17 3. An application for services may be made through the
8 18 central point of coordination process of ~~a~~ an adult person's
8 19 county of residence. However, if a If an adult person who is
8 20 subject to a central point of coordination process has legal
8 21 settlement in another county, or the costs of services or
8 22 other support provided to the person are the financial
8 23 responsibility of the state, an authorization through the
8 24 central point of coordination process shall be coordinated
8 25 with the person's county of legal settlement or with the
8 26 state, as applicable. The county of residence and county of
8 27 legal settlement of a person subject to a central point of
8 28 coordination process may mutually agree that the central point
8 29 of coordination process functions shall be performed by the
8 30 central point of coordination process of the adult person's
8 31 county of legal settlement residence in accordance with the
8 32 county of residence's management plan approved under section
8 33 331.439 and the person's county of legal settlement is
8 34 responsible for the cost of the services or other support
8 35 authorized at the rates reimbursed by the county of residence.
9 1 At the time services or other support are authorized, the
9 2 county of residence shall send the county of legal settlement
9 3 a copy of the authorization notice.
9 4 Sec. 15. Section 331.440, Code 2005, is amended by adding
9 5 the following new subsection:
9 6 NEW SUBSECTION. 3A. a. During the period beginning July
9 7 1, 2006, and ending June 30, 2008, if an adult person has no
9 8 established county of legal settlement or the legal settlement
9 9 is unknown so that the person is deemed to be a state case,
9 10 the person's eligibility and the authorization for services
9 11 and other support shall be determined by the adult person's
9 12 county of residence in accordance with that county's

9 13 management plan approved under section 331.439. The cost of
9 14 state case services and other support shall be paid by the
9 15 state at the rates reimbursed by the county of residence.
9 16 b. Beginning July 1, 2008, it is the intent of the general
9 17 assembly that the funding annually appropriated by the state
9 18 for state case services and other support will be distributed
9 19 to the individual counties of residence to compensate those
9 20 counties for the costs of assuming financial responsibility
9 21 for providing state case services and other support to a
9 22 county resident who is deemed to be a state case because the
9 23 adult person has no established county of legal settlement or
9 24 the legal settlement is unknown. Beginning July 1, 2008, it
9 25 is the intent of the general assembly that eligibility and the
9 26 authorization for state case services and other support for an
9 27 adult person who is deemed to be a state case will be
9 28 determined by the person's county of residence in accordance
9 29 with that county's management plan approved under section
9 30 331.439 and the costs of the state case services and other
9 31 support for such a person will be the responsibility of that
9 32 person's county of residence.

9 33 DIVISION IV
9 34 STATE MANDATE

9 35 Sec. 16. IMPLEMENTATION OF ACT. Except for the section of
10 1 this Act amending section 331.440 to enact new subsection 3A,
10 2 section 25B.2, subsection 3, shall not apply to this Act.

10 3 EXPLANATION

10 4 This bill relates to persons with mental illness, mental
10 5 retardation, developmental disabilities, or brain injury
10 6 (MI/MR/DD/BI) by addressing purposes and quality standards for
10 7 services or other support necessary to allow the persons to
10 8 live, work, and have meaningful activities in the community;
10 9 establishing basic financial eligibility standards; and
10 10 addressing state and county financial responsibility for the
10 11 costs of the services and other support.

10 12 DIVISION I == PURPOSES AND QUALITY STANDARDS. Code section
10 13 225C.1, relating to legislative findings and purpose, is
10 14 amended to revise service terminology to incorporate other
10 15 support provided in addition to services. In addition,
10 16 legislative intent is modified to state the intent that
10 17 services and other support are individualized, provided to
10 18 produce results, flexible, and cost-effective.

10 19 Code section 225C.2, relating to the definitions used in
10 20 Code chapter 225C, is amended. The term "disability services"
10 21 is amended to replace "assistance" provided with "support"
10 22 provided.

10 23 Code section 225C.4, relating to the duties of the
10 24 administrator of the division of mental health and
10 25 developmental disabilities, department of human services, is
10 26 amended to expand the duty regarding coordination of
10 27 disability services to include working to fulfill the duty
10 28 with the Iowa department of public health, other state
10 29 agencies, and other persons. In addition, the administrator
10 30 is required to work with the MI/MR/DD/BI commission and the
10 31 other agencies in developing and implementing a strategic plan
10 32 for expanding access to qualified mental health workers. An
10 33 existing duty of the department of human services
10 34 administrator to establish and maintain a data collection and
10 35 management system is expanded to require submission of an
11 1 annual report to the MH/MR/DD/BI commission regarding changes
11 2 and trends in the disability services system.

11 3 Code section 225C.6, relating to the duties of the mental
11 4 health, mental retardation, developmental disabilities, and
11 5 brain injury commission, is amended to revise the duty to
11 6 identify basic disabilities services for planning purposes.
11 7 The commission is directed to identify disability services
11 8 outcomes and indicators to support the ability of eligible
11 9 persons with a disability to live, learn, work, and recreate
11 10 in the communities chosen by the persons. This commission's
11 11 duty includes responsibility for identifying, collecting, and
11 12 analyzing reports on outcomes and indicators at the county and
11 13 state levels.

11 14 Code sections 225C.27 and 225C.28A, relating to the purpose
11 15 and service quality standards for the bill of rights and
11 16 service quality standards of persons with mental retardation,
11 17 developmental disabilities, brain injury, or chronic mental
11 18 illness, are amended. The purpose section is amended to
11 19 include references to persons with brain injury and to state
11 20 the purpose of promoting access by each person in the state
11 21 with mental retardation, developmental disabilities, brain
11 22 injury, or chronic mental illness to effective services and
11 23 other support and treatment essential for living, working, and

11 24 participating fully in the community. The service quality
11 25 standards section is amended to provide for treatment,
11 26 habilitation, and program services that are individualized,
11 27 provided to produce results, flexible, and cost-effective. In
11 28 addition, a quality standard is added to provide an ongoing
11 29 process to determine the degree of access to and the
11 30 effectiveness of the services and other support in achieving
11 31 the disability services outcomes and indicators identified by
11 32 the commission.

11 33 Code section 331.439, relating to county eligibility
11 34 requirements for receiving payment from the state property tax
11 35 relief fund and from the allowed growth factor adjustment
12 1 appropriation for mental health, mental retardation, and
12 2 developmental disabilities service expenditures, is amended to
12 3 apply new requirements in county management plans for such
12 4 services. County management plans are required to address the
12 5 purposes for such services identified in Code section 225C.1.
12 6 Beginning July 1, 2007, the county management plans must
12 7 describe how the county will provide services and other
12 8 support that are individualized, provided to produce results,
12 9 flexible, and cost-effective and how the ability of each
12 10 individual covered by the plan to live, learn, work, and
12 11 recreate in communities of the individual's choice will be
12 12 enhanced.

12 13 Code section 331.439 requirements for counties to submit to
12 14 the department of human services an annual management plan
12 15 review and a triennial strategic plan are amended to require
12 16 the provision of information regarding county progress in
12 17 seeking to achieve the new service system purposes and
12 18 outcomes and indicators for disability services identified by
12 19 the commission required by the bill. The submission date for
12 20 the annual review is changed from April to December.

12 21 Code section 426B.5, relating to funding pools within the
12 22 property tax relief fund, is amended to create a new incentive
12 23 pool. The pool is to distribute funding to those counties
12 24 that show progress toward meeting the new service system
12 25 purposes identified in the bill. This provision is first
12 26 applicable for the fiscal year beginning July 1, 2008.

12 27 DIVISION II == FINANCIAL ELIGIBILITY. This division
12 28 establishes basic financial eligibility requirements for
12 29 persons eligible to receive mental health, mental retardation,
12 30 developmental disabilities, and brain injury services under a
12 31 county management plan.

12 32 Code section 225C.6 is amended regarding the duties of the
12 33 mental health, mental retardation, developmental disability,
12 34 and brain injury commission. The commission is required to
12 35 identify basic financial eligibility standards for disability
13 1 services, including income levels, a requirement for a person
13 2 to apply for federally funded assistance, and resource
13 3 limitations.

13 4 DIVISION III == CENTRAL POINT OF COORDINATION PROCESS ==
13 5 COUNTY OF RESIDENCE RESPONSIBILITIES AND STATE CASES. This
13 6 division relates to state and county responsibility for mental
13 7 illness, mental retardation, and developmental disabilities
13 8 services.

13 9 Code section 331.440, relating to the central point of
13 10 coordination process utilized by counties for eligibility
13 11 determination and service authorization, is amended by adding
13 12 new subsection 1A, providing new definitions for that section.
13 13 The new subsection defines the terms "adult person", "county
13 14 of residence", "homeless person", and "state case services and
13 15 other support".

13 16 Code section 331.440, subsection 3, is amended to provide
13 17 that, if an adult person has legal settlement in another
13 18 county, these functions are to be performed by the person's
13 19 county of residence. The person's county of legal settlement
13 20 is responsible for the costs of the services or other support
13 21 authorized by the county of residence at the reimbursement
13 22 rates paid by the county of residence. At the time services
13 23 or other support are authorized, the county of residence is
13 24 required to send the county of legal settlement a copy of the
13 25 authorization notice.

13 26 Code section 331.440 is also amended to include new
13 27 subsection 3A addressing those cases in which a person has no
13 28 established county of legal settlement or a person's legal
13 29 settlement is unknown so that the person is deemed to be a
13 30 state case. For the period of July 1, 2006, through June 30,
13 31 2008, the county of residence is responsible for state case
13 32 eligibility and service authorization and the state is
13 33 responsible for the costs at the reimbursement rates paid by
13 34 the county of residence. Beginning July 1, 2008, legislative

13 35 intent language provides that the state will distribute the
14 1 funding appropriated by the state for state cases to the
14 2 individual counties of residence to compensate those counties
14 3 for the costs and the county of residence will assume
14 4 responsibility for the costs.
14 5 DIVISION IV == STATE MANDATE. This bill may include a
14 6 state mandate as defined in Code section 25B.3. The division
14 7 makes inapplicable Code section 25B.2, subsection 3, which
14 8 would relieve a political subdivision from complying with a
14 9 state mandate if funding for the cost of the state mandate is
14 10 not provided or specified. Therefore, political subdivisions
14 11 are required to comply with any state mandate included in the
14 12 bill except for the provision of the bill amending Code
14 13 section 331.440, with new subsection 3A, stating legislative
14 14 intent for the county of residence to assume responsibility
14 15 for state case costs beginning July 1, 2008, with state case
14 16 funding distributed by the state to counties by formula.
14 17 LSB 5359DP 81
14 18 jp:rj/cf/24.2